



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 617

Chairperson: Abbie Cornett
Committee: Revenue
Date of Hearing: March 19, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 617 would expand the authority of counties to create “community building districts” in order to finance the construction of county facilities for “community, social and athletic” purposes.

Since 1977, counties have been permitted to create community building districts for the purpose of financing such facilities. LB 617 would expand that authority, particularly with respect to counties defined as “substantially urbanized” – so as to permit the development of county facilities in unincorporated areas.

The new provisions would permit the creation of a community building district in a substantially urbanized county in a manner similar to the formation of sanitary and improvement districts (SIDs). The new district would have the authority to construct county facilities for community, social and athletic purposes, and would also have the authority, with the consent of the county board, to impose a local option sales tax of up to 1.5 percent on taxable sales within the district.

The district would be permitted to issue bonds to finance facilities, following a process similar to that used by SIDs. The district could repay such bonds with funds from the local option sales tax, the minimal available levy for community building districts, and, upon the consent of the county board, from the increase of taxable valuation available to the county’s general fund levy on property within the district, as compared to the year prior to the formation of the district.

Principal Introducer:

Senator Abbie Cornett